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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA :

- v. - :

MICHAEL STEINBERG, :

Defendant. :

----- x

STIPULATION AND ORDER

S4 12 Cr. 121 (RJS)

WHEREAS, on March 29, 2013, MICHAEL STEINBERG (the "Defendant") was charged in a five-count Superseding Indictment, S4 12 Cr. 121 (RJS) (the "Indictment"), with conspiracy to commit securities fraud, in violation of Title 18, United States Code, Section 371 (Count One); and securities fraud, in violation of Title 15, United States Code, Sections 78j(b) and 78ff, Title 17, Code of Federal Regulations, Sections 240.10b-5 and 240.10b5-2, and Title 18, United States Code, Section 2 (Counts Two through Five);

WHEREAS, the Indictment included a forfeiture allegation as to Counts One through Five of the Indictment seeking, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, the forfeiture of all property, real or personal, that constitutes or is derived from proceeds traceable to the commission of the securities fraud offenses alleged in Counts One through Five of the Indictment;

WHEREAS, on December 18, 2013, a jury in the Southern District of New York found the Defendant guilty of Counts One through Five of the Indictment;

WHEREAS, on May 16, 2014, the Defendant was sentenced and ordered to forfeit \$365,142.30 in United States currency, representing the amount of proceeds obtained as a result of the offenses charged in Counts One through Five of the Indictment;

WHEREAS, the Defendant was further sentenced to a criminal fine of \$2,000,000;

WHEREAS, on May 19, 2014, the Court entered a Preliminary Order of Forfeiture/Money Judgment which imposed a money judgment against the Defendant, in the amount of \$365,142.30 in United States currency, representing the amount of proceeds obtained as a result of the offenses charged in Counts One through Five of the Indictment;

WHEREAS, on May 29, 2014, the Defendant filed a Notice of Appeal as to his conviction and sentence and has requested a stay for the payment of the forfeiture and criminal fine; and

WHEREAS, the parties agree that in lieu of a stay of the payment of the forfeiture and criminal fine the Defendant will deposit \$2,365,142.30 with his attorneys, Kramer Levin Naftalis & Frankel, LLP, to be placed in Kramer Levin Naftalis & Frankel, LLP's attorney escrow account and held pending resolution of the Defendant's appeal;

IT IS HEREBY STIPULATED AND AGREED, by and between the plaintiff, United States of America, by its attorney Preet Bharara, United States Attorney, Assistant United States Attorney Sharon Cohen Levin, of counsel, and the Defendant, and his counsel, Steven S. Sparling, Esq., that:

1. The Defendant will transfer \$2,365,142.30 (the "Subject Amount") to Kramer Levin Naftalis & Frankel, LLP's attorney escrow account on or before June 9, 2014.
2. The Subject Amount shall be held in Kramer Levin Naftalis & Frankel, LLP's attorney escrow account until resolution of the Defendant's appeal.
3. The Defendant, his attorneys, agents, employees, and anyone acting on his behalf, and all persons or entities acting in concert or participation with any of the above, and all

persons and entities having actual knowledge of this Stipulation and Order, shall not, directly or indirectly, transfer, assign, pledge, encumber, or dispose of in any manner the Subject Amount pending resolution of the Defendant's appeal; or take, or cause, to be taken, any action, that would have the effect of diminishing the value of the Subject Amount.

4. Neither the United States nor the Defendant waives any arguments or defenses that they may have with respect to the forfeitability of the Subject Amount or any other subject or issue.

5. This Stipulation and Order represents the complete agreement of the parties and cannot be amended without written consent of all parties.

6. The signature pages of this Stipulation and Order may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. Faxed, emailed and scanned copies shall be treated as originals.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

7. The Clerk of the Court shall forward three certified copies of this Stipulation and Order to Assistant United States Attorney Sharon Cohen Levin, Chief, Money Laundering and Asset Forfeiture Unit, One St. Andrew's Plaza, New York, New York 10007.

AGREED AND CONSENTED TO:

PREET BHARARA  
United States Attorney for the  
Southern District of New York

By: 

SHARON COHEN LEVIN  
Assistant United States Attorney  
Chief, Money Laundering and  
Asset Forfeiture Unit  
One St. Andrew's Plaza  
New York, New York 10007  
Tel.: (212) 637-1060

6/6/14  
DATE

MICHAEL STEINBERG  
DEFENDANT

By: 

MICHAEL STEINBERG

6/4/14  
DATE

By: 

STEVEN S. SPARLING, ESQ.  
Attorney for Defendant  
Kramer Levin Naftalis & Frankel, LLP  
1177 Avenue of the Americas  
New York, New York 10036  
Tel.: (212) 715-7736

6/3/14  
DATE

SO ORDERED:

  
HONORABLE RICHARD J. SULLIVAN  
UNITED STATES DISTRICT JUDGE

6/6/14  
DATE